

Company Number 01797810  
Charity Number 514999

**The Five Towns Plus Hospice Fund Limited**  
**The Prince of Wales Hospice**  
**(A Company Limited by Guarantee)**

**Trustees' Report and Financial Statements**  
**Year ended 31 March 2017**

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# The Five Towns Plus Hospice Fund Limited

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# The Five Towns Plus Hospice Fund Limited

## Charity information

Charity name	The Five Towns Plus Hospice Fund Limited
Working name	The Prince of Wales Hospice
Charity registration number	514999
Company registration number	01797810
Registered office	The Prince of Wales Hospice, Halfpenny Lane, Pontefract, WF8 4BG

## Trustees

Mr G Tollefson (Chairman)	Finance and Facilities
Mr C L O Allen	-
Mrs S J Beddow	Fundraising
Canon R Cooper	Facilities and Human Resources
Mrs C M Dransfield	Clinical Governance and Facilities
Mrs A Gleed MBE	Fundraising and Clinical Governance
Mr D Hayes	Facilities
Mr B S Parkes (Deputy Chairman)	Clinical Governance, Fundraising and Retail
Mr A C Wearing (Treasurer)	Finance
Mr R M Whitaker	Fundraising and Human Resources
Mr S Rigby	Retail
Dr R E Roche	Clinical Governance and Human Resources

## Senior management team

Mr D M Stewart	Chief Executive and Company Secretary
Mrs A J Darley	Deputy Chief Executive and Facilities Manager
Mrs J E Schofield	Clinical Services Manager
Mrs K M Widdowson	Finance Manager (to 31 October 2016)
Mrs C Cook	Head of Finance (from 31 October 2016)
Ms L J Bennett	Fundraising and Marketing Manager
Ms A Gray	Head of Retail
Dr H A Pearse	Medical Director

## Auditors

Garbutt & Elliott Audit Limited  
Chartered Accountants  
Arabesque House, Monks Cross Drive  
York, YO32 9GW

## Bankers

Yorkshire Bank plc  
Ropergate, Pontefract, WF8 1LQ

## Solicitors

Hartley & Worstenholme  
20 Bank Street, Castleford, WF10 1JD

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017

The trustees present their annual report together with the audited consolidated financial statements of the charity and its subsidiaries for the year ended 31 March 2017.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### Structure, governance and management

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association as adopted at its Annual General Meeting on 12 November 2015. It is registered as a charity with the Charity Commission. The Five Towns Plus Hospice Shops Ltd, The Caring Kitchen Limited and The Five Towns Plus Hospice Trading Limited are wholly owned subsidiaries.

The Directors of the Company are listed on page 1 and are known as the Board of Trustees. Trustees who were such when the Memorandum and Articles of Association were adopted at its Annual General Meeting on 12 November 2015 must seek re-appointment at the Annual Trustees' Meeting at the end of each three-year period. All trustees appointed after that date may serve no more than three terms of office of three years each (either consecutively or in total) up to the age of 75 unless they are invited to continue by all (i.e., 100%) of the remaining trustees.

The trustees meet at least four times a year. There are Board sub-committees covering audit and governance, clinical governance, corporate services, human resources and income generation, all which report to the Board. Appropriate members of the senior management team are present at the board sub-committees. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate the effective operation of the Hospice and its subsidiary companies, the Chief Executive has delegated authority for all operational matters.

The Board continued to consider its composition and effectiveness. The hospice has a full induction programme for newly appointed trustees. Trustees are encouraged to attend appropriate external training events when these will facilitate the undertaking of their role.

The Board would like to confirm their confidence in, and support for, the Chief Executive, David Stewart, and look forward to working with him for many years to come.

The Charity is a member of Hospice UK and the National Council for Palliative Care which represent hospice care and palliative care respectively. Members of the senior management team regularly meet with their counterparts in other hospices in Yorkshire and the Humber to support each other and to share good practice.

### Objects and activities

The objects of the Charity, as set out in the Articles of Association adopted on 12 November 2015, are:

- to promote the relief of sickness by such charitable means as the Charity shall from time to time think fit and to provide support to the families and carers of those in need by reason of ill health; and
- to relieve those in need by reason of ill health and/or age through the establishment and maintenance of a care home with nursing.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

The principal activity of the Charity is the provision of effective, supportive and professional hospice-based specialist palliative care. Palliative care is a key component of end-of-life care which is defined by the National Institute for Health and Care Excellence (NICE) as:

*The active holistic care of patients with advanced progressive illness. Management of pain and other symptoms and provision of psychological, social and spiritual support is paramount. The goal of palliative care is achievement of the best quality of life for patients and their families. Many aspects of palliative care are also applicable earlier in the course of the illness in conjunction with other treatments.*

*Palliative care aims to:*

- *affirm life and regard dying as a normal process*
- *provide relief from pain and other distressing symptoms*
- *integrate the psychological and spiritual aspects of patient care*
- *offer a support system to help patients live as actively as possible until death*
- *offer a support system to help the family cope during the patient's illness and in their own bereavement*

Specialist palliative care encompasses hospice care (including inpatient hospice care, day therapy, hospice at home) as well as a range of other specialist advice, support and care such as that provided by hospital palliative care teams. Specialist palliative care should be available on the basis of need, not diagnosis.

The trustees have had regard to the guidance provided by the Charity Commission on public benefit. In providing care as above the hospice is providing a public benefit in line with its prime object. The hospice will consider referrals of any patients from any medical or clinical practitioner or other clinical organisation and will admit all such referred patients unless (a) a clear need for specialist palliative care has not been established, (b) it would be detrimental to a patient's well being or (c) there were no beds or Day Therapy places available. The hospice does not charge patients or their relatives or carers for any of its services. Although the hospice was set-up to cater for the needs of the people of eastern Wakefield (or the 'Five Towns'), it will accept patient referrals from anywhere in the UK and will consider those referrals in the same way and against the same criteria as local referrals.

In furtherance of the second object, the Company has obtained planning permission for the construction of a care home with nursing on the same site as the hospice.

The Board's strategy remains one of continuous improvement to the quality and scope of hospice care for patients with life limiting illnesses, closer collaboration with partner organisations, including the NHS, in the provision of palliative and specialist palliative care and the education of those professionals who require an understanding or knowledge of palliative and specialist palliative care.

The hospice successfully registered with the Care Quality Commission (CQC) in 2010 and is regulated by it. The hospice was inspected by the CQC in late 2016, when it was accorded an overall rating of "good". Systematic programmes of clinical audit and medical and clinical staff education continue to support ongoing improvements in professional care.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

The Charity's objectives for 2017/18 are:

- a. to pave the way to return to a financial surplus in 2018/19 by increasing income generation creatively and diligently, and by way of the prudent management of resources;
- b. to restructure the Day Therapy service so that it better reflects patient need and is delivered more cost-effectively. This will include expanding its outreach provision; and
- c. to improve the performance of the Board of Trustees and, therefore, the governance of the Hospice, through the introduction of revised role profiles, more and better training and the introduction of an appraisal process for trustees.

### Achievements and performance

The charity's objectives for 2016/17 were:

- a. to work with Wakefield District clinical commissioning group (CCG) to develop a three year end of life patient care strategy in eastern Wakefield with the hospice at its hub and, related to that, to develop a specialist palliative care strategy for the hospice. The Hospice was represented at all levels in the development of a strategic outline case by the CCG. The development of a hospice strategy therefore remains in abeyance pending the agreement of the afore-mentioned end of life strategy;
- b. to continue to improve information governance to achieve level 2 of the Information Governance Statement of Compliance issued by the Health and Social Care Information Centre. This objective was achieved;
- c. to continue to develop and to deliver an internal and external end of life care and specialist palliative care education programme. The aim is to have more competent hospice staff, better informed community primary and secondary care practitioners, more relevant referrals to the hospice, and better use of the helpline. There was a considerable amount of internal specialist and more general education in the year (in part facilitated by the closure of the Incare facility - see objective d.) and some external training for general practitioners and other health professionals; and
- d. to manage the Incare refurbishment project within the agreed budget and timescale, and with as little disruption to services as possible. This project overran slightly on time and budget but has resulted in superb Incare patient facilities and staff working conditions, much admired by His Royal Highness The Prince of Wales when he visited the Hospice in March 2017.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

A snapshot of the hospice's clinical performance for the year is given below, with comparisons with previous years:

	2016/17	2015/16	2014/15
<b>Incare:</b>			
Admissions	203	257	280
Admissions outside 9 am to 4 pm	36	49	62
Average length of stay (days)	9.2	11.2	10.0
Occupancy	80%	83%	76%
<b>Day Therapy:</b>			
Total attendances	752	607	562
New referrals	168	154	287
Occupancy	51%	68%	57%
<b>Lymphoedema:</b>			
Total number of appointments kept	812	1,145	944
New referrals	195	154	131

Admissions were down on the previous year as the Incare unit was closed for almost three months for refurbishment; however, occupancy remained relatively high because the number of available beds was reduced before and after the building works. Day Therapy had an increase in referrals and, particularly, attendances but lower occupancy. The last was caused by patients' carers registered with the service not attending - excluding them from the figures would see occupancy at 69%. The Lymphoedema clinic operated on three sites (Pontefract, Wakefield and Dewsbury) as before but only for about eight months of the year but, nevertheless, put in a creditable performance.

The trustees are very grateful for corporate and community support of the hospice in donations of money, legacies, support of our events and shops. The hospice is reliant on individuals, companies and organisations in the community planning events to raise money; our own events and activities alone could never raise enough funds to provide hospice care.

The trustees greatly appreciate the hard work, dedication and enthusiasm of staff and volunteers throughout the year, and are grateful to them for their efforts. 101 volunteers helped in the hospice during the year, in Day Therapy, fundraising, the garden, the kitchen, with administration and as volunteer ward clerks, among other roles. In addition 181 volunteers helped in our charity shops, working on the till, sorting donations, checking electrical goods and assisting the van drivers to collect and deliver furniture.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

### Financial review

The charity's financial health at the year end was not as robust as in the previous year due to a reduction in NHS funding for Out of Hours Admissions and the increased costs of patient care.

The Group net expenditure on the Consolidated Statement of Financial Activities of £162,916 (2016: surplus of £224,671) comprises a surplus of £159,391 (2016: deficit of £60,212) on unrestricted funds and a deficit of £322,307 (2016: surplus of £284,883) on restricted funds.

Restricted income includes £287,833 (2016: £334,833) in donations to refurbish Incare to bring older rooms to the standard of the rooms built in 2014, install en-suite shower rooms, improve the office and storage facilities for nurses and clinical staff and upgrade the bathroom, conservatory and surrounding gardens. The work started in May 2016 and was completed in the year.

Income from donated goods sold under the retail gift aid scheme was included in donations in 2015/16 but has been included in shops' income in 2016/17 to provide a more accurate view of shops' performance. After adjusting for this, donations increased by £55,787 in 2016/17. Legacy income, which is subject to significant year-on-year fluctuations, decreased by £158,286.

Shops' income (after the adjustment referred to above in respect of goods sold under the retail gift aid scheme) was £30,887 lower than 2015/16 following the closure the Airedale shop where a proposed rent increase affected viability. Costs fell by £11,210.

The subsidiary company, The Caring Kitchen Limited, runs a café business in Pontefract Market and, following price increases driven by registration for VAT in 2015/16, made a small loss in 2016/17.

As no new goods were purchased during the year other than Christmas cards and fundraising merchandise, trading income remained below the limit for charities and the new subsidiary trading company was not utilised as planned.

Total funding from the NHS reduced by £88,910 following a 50% reduction in funding for Out of Hours admissions. Funding at the reduced rate is currently under review by the Wakefield District Clinical Commissioning Group.

Total expenditure on charitable activities was £2,383,679 (2016: £2,225,790). We understand that we operate in a competitive market for quality employees and that attracting and retaining such people is influenced by salary levels along with other factors. Although salaries generally were not increased in 2016/17, increases in specific areas were implemented to ensure market competitiveness and this led to an overall 10% increase in staff costs.

### Pay policy for senior staff

Remuneration of key staff is decided by a Board committee comprising the Chair, the Vice Chair and the Chair of the HR Committee



# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

### Reserves policy

The Board of Trustees has considered the charity's requirements for reserves in the light of the main risks to the operation. That review considered the nature and amounts of the income and expenditure streams, in particular the need to match variable income with fixed commitments and the nature of reserves. The group's main cost is staff salaries: these are regular payments, whereas income is more erratic. The review concluded that a buffer for uninterrupted services and sufficient management flexibility would be ensured by a general reserve of a minimum of four months' salary costs. At 31st March 2017 reserves, which are unrestricted funds excluding funds invested in fixed assets, stood at £451,961 (2016: £841,595) (note 21). This represented two months' salary costs. Although a further deficit is budgeted for 2016/17, it is intended that further investment in retail and fundraising operations will enable reserves to be increased in subsequent years with a view to moving back to compliance with the policy.

### Risk management

Strategic risks were reviewed annually by the Board of Trustees and by the Hospice's senior management team at each of its meetings. The Board of Trustees has agreed actions to mitigate these risks.

From 2017/18, the responsibility for reviewing these risks rests with relevant Board sub-committees and nominated senior managers. The Hospice's senior management team reviews all risks and agreed mitigating actions at its monthly meetings with a view to proposing changes to the Board and the relevant sub-committees.

The four main areas of risk are:

- Reduced funding (from fundraising, retail or NHS grants)
- Loss of key staff (e.g. consultants in palliative medicine)
- Difficulty in recruiting or retaining professional staff
- Loss of premises or facilities (e.g. IT)

The Risk Register is reviewed monthly by the Senior Management Team to ensure that objectives are being met and is a standing agenda item for all Committees.

### Trustees' responsibilities for the financial statements

The charity trustees, who are also directors for the purposes of company law, are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2017 (continued)

### Trustees' responsibilities for the financial statements (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement as to disclosure of information to auditors

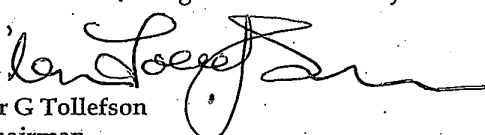
In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

### Auditors

The auditors Garbutt & Elliott Audit Limited were appointed during the year and in accordance with section 487(2) of the Companies Act 2006 are deemed to be re-appointed annually.

The Trustees' Report, including the Strategic Report was approved by the Board of Trustees on 12.04.17 and signed on its behalf by:

  
Mr G Tollefson  
Chairman

# **The Five Towns Plus Hospice Fund Limited**

## **Independent Auditors' Report to the Members and Trustees of The Five Towns Plus Hospice Fund Limited**

We have audited the financial statements of The Five Towns Plus Hospice Fund Limited for the year ended 31 March 2017, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 144 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

# The Five Towns Plus Hospice Fund Limited

## Independent Auditors' Report to the Members and Trustees of The Five Towns Plus Hospice Fund Limited (continued)

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' Annual Report has been prepared in accordance with applicable legal standards.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Garbutt & Elliott Audit Ltd.*

Alan Sidebottom (Senior Statutory Auditor)  
for and on behalf of Garbutt & Elliott Audit Limited

27 November 2017

Chartered Accountants  
Statutory Auditors

# The Five Towns Plus Hospice Fund Limited

## Consolidated Statement of Financial Activities (incorporating a consolidated Income and Expenditure account) for the year ended 31 March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017	Unrestricted Funds	Restricted Funds £	Total 2016
<b>INCOME FROM:</b>							
<i>Donations and legacies:</i>							
Donations	2	662,105	389,043	1,051,148	817,711	401,782	1,219,493
Legacies	2	89,430	-	89,430	247,716	-	247,716
<i>Income from charitable activities:</i>							
NHS grants for palliative care	5	839,623	-	839,623	928,533	-	928,533
<i>Income from other trading activities:</i>							
Shops	3	1,262,831	-	1,262,831	1,070,533	-	1,070,533
Café	3	70,894	-	70,894	78,208	-	78,208
Fundraising events		198,793	-	198,793	215,722	-	215,722
Investment income		5,769	-	5,769	7,617	-	7,617
<i>Other income:</i>							
Profit on disposal of fixed assets		478	-	478	4,594	-	4,594
Other income		20,753	-	20,753	-	-	-
<b>TOTAL INCOME</b>		<b>3,150,676</b>	<b>389,043</b>	<b>3,539,719</b>	<b>3,370,634</b>	<b>401,782</b>	<b>3,772,416</b>
<b>EXPENDITURE ON:</b>							
<i>Costs of raising funds:</i>							
Costs of raising donations, legacies and fundraising		366,505	1,928	368,433	365,915	5,500	371,415
Shops	3	881,439	-	881,439	870,229	-	870,229
Café	3	72,614	-	72,614	77,779	-	77,779
Trading Company		5	-	5	-	-	-
		<b>1,320,563</b>	<b>1,928</b>	<b>1,322,491</b>	<b>1,313,923</b>	<b>5,500</b>	<b>1,319,423</b>
<i>Expenditure on charitable activities:</i>							
Hospice inpatient unit		1,787,085	9,464	1,796,549	1,528,514	43	1,528,557
Day Therapy and carer support		193,627	11,509	205,136	206,285	14,198	220,483
Lymphoedema clinic		134,760	4,992	139,752	163,450	-	163,450
Therapies and other care		241,687	555	242,242	273,157	40,143	313,300
		<b>2,357,159</b>	<b>26,520</b>	<b>2,383,679</b>	<b>2,171,406</b>	<b>54,384</b>	<b>2,225,790</b>
<b>TOTAL EXPENDITURE</b>		<b>3,677,722</b>	<b>28,448</b>	<b>3,706,170</b>	<b>3,485,329</b>	<b>59,884</b>	<b>3,545,213</b>
Net income for the year before other recognised gains/(losses)	6	(527,046)	360,595	(166,451)	(114,695)	341,898	227,203
Realised and unrealised (loss)/ gain on investments	18	3,535	-	3,535	(2,532)	-	(2,532)
Net (expenditure)/income for the year		(523,511)	360,595	(162,916)	(117,227)	341,898	224,671
Transfers between funds	24	682,902	(682,902)	-	57,015	(57,015)	-
Net movement in funds		159,391	(322,307)	(162,916)	(60,212)	284,883	224,671
Total funds brought forward		2,262,912	404,906	2,667,818	2,323,124	120,023	2,443,147
Total funds carried forward	21	2,422,303	82,599	2,504,902	2,262,912	404,906	2,667,818

The statement of financial activities includes all gains and losses recognised in the year.

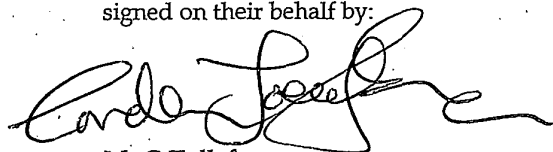
All income and expenditure derives from continuing activities of the group.

# The Five Towns Plus Hospice Fund Limited

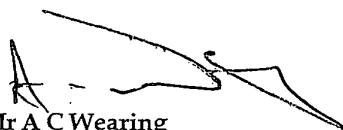
## Consolidated Balance Sheet as at 31 March 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12		30,800		35,200
Tangible assets	13		1,951,042		1,386,117
			1,981,842		1,421,317
<b>Current assets</b>					
Stock	16	12,909		43,816	
Debtors	17	172,034		247,078	
Investments	18	17,194		13,659	
Cash at bank and short term deposits		563,150		1,178,756	
		765,287		1,483,309	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	19	239,549		234,130	
<b>Net current assets</b>			525,738		1,249,179
<b>Total assets less current liabilities</b>			2,507,580		2,670,496
<b>Provisions for liabilities</b>					
Deferred taxation	20		(2,678)		(2,678)
<b>Total net assets</b>			2,504,902		2,667,818
<b>The funds of the Charity:</b>					
Restricted income funds	24		82,599		404,906
Unrestricted funds			2,422,303		2,262,912
<b>Total Charity funds</b>			2,504,902		2,667,818

The financial statements on pages 11 to 35 were approved by the trustees on ..... and signed on their behalf by:



Mr G Tollefson  
(Chairman)



Mr A C Wearing  
(Treasurer)

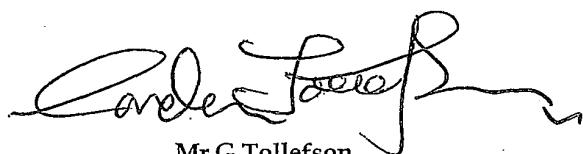
Company Registration Number 01797810

# The Five Towns Plus Hospice Fund Limited

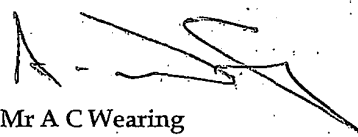
## Parent Company Balance Sheet as at 31 March 2017

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	14	1,947,200	1,330,798
Investments	15	202	102
		1,947,402	1,330,900
<b>Current assets</b>			
Stock	16	12,579	-
Debtors falling due after one year	17	41,600	41,600
Debtors falling due within one year	17	177,996	284,333
Investments	18	17,194	13,659
Cash at bank and short term deposits		558,094	1,135,876
		807,463	1,475,468
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	19	274,220	164,532
<b>Net current assets</b>		533,243	1,310,936
<b>Total assets less current liabilities</b>		2,480,645	2,641,836
<b>Total net assets</b>		2,480,645	2,641,836
<b>The funds of the Charity:</b>			
Restricted income funds	24	82,599	404,906
Unrestricted funds		2,398,046	2,236,930
		2,480,645	2,641,836

The financial statements on pages 11 to 35 were approved by the trustees on ..... and signed on their behalf by:



Mr G Tollefson  
(Chairman)



Mr A C Wearing  
(Treasurer)

Company Registration Number 01797810

# The Five Towns Plus Hospice Fund Limited

## Statement of Consolidated Cash Flows as at 31 March 2017

	2017 £	2016 £
<b>Net cash provided by:</b>		
Operating activities	123,195	330,585
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	5,769	7,617
Proceeds from the sale of tangible fixed assets	6,500	47,005
Purchase of tangible fixed assets	(751,070)	(200,961)
<b>Net cash used in investing activities</b>	<b>(738,801)</b>	<b>(146,339)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(615,606)</b>	<b>184,246</b>
Cash and cash equivalents at the beginning of the year	1,178,756	994,510
<b>Cash and cash equivalents at the end of the year</b>	<b>563,150</b>	<b>1,178,756</b>

### Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2017 £	2016 £
Net (expenditure)/income for the year (as per the statement of financial activities)	(162,916)	224,671
<b>Adjustments for:</b>		
Depreciation charges	180,123	165,696
Amortisation of goodwill	4,400	4,400
Unrealised (gain)/loss on investment	(3,535)	2,532
Dividends and interest from investments	(5,769)	(7,617)
Profit on disposal of tangible fixed assets	(478)	(4,594)
Decrease/(Increase) in stock	30,907	35,249
Decrease/(Increase) in debtors	75,044	(57,580)
Increase/(Decrease) in creditors	5,419	(30,086)
Decrease in provisions	-	(2,086)
<b>Net cash provided by operating activities</b>	<b>123,195</b>	<b>330,585</b>



# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017

### 1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### *Company Information*

The Five Towns Plus Hospice Fund Limited is a Company Limited by Guarantee and is also a registered charity. The registered office is The Prince of Wales Hospice, Halfpenny Lane, Pontefract, WF8 4BG.

Each member of the company has undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

#### *Basis of preparation*

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) ("Charities SORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Five Towns Plus Hospice Fund Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from disclosing the carrying amounts of each category of financial assets and financial liabilities at the reporting date as required by section 11.41 of FRS 102.
- Exemption from presenting a statement of cash flows as a primary statement to the financial statements.

The charitable company has also taken advantage of the exemptions conferred by section 33.11 of FRS 102 allowing it not to disclose transactions and balances within its group, on the grounds that those entities are related by virtue of having the same control as defined in 33.11(b).

#### *Going concern*

The trustees have prepared financial projections, taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future, and have adequate contingency plans in the event that income streams are reduced. Consequently the financial statements have been prepared on the basis that the charity is a going concern.

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern. With regard to the future, the most significant areas of uncertainty are the level of support of Wakefield CCG and the level of donation income, which needs to be increased each and every year and is covered in more detail in the trustees' annual report. The directors consider that there are no material uncertainties about The Caring Kitchen Limited's ability to continue as a going concern, because it has the continuing support of its holding company.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (*continued*)

#### *Group financial statements*

The financial statements consolidate the results of the charity and its wholly owned subsidiary companies The Five Towns Plus Hospice Shops Limited, The Five Towns Plus Hospice Trading Limited and the Caring Kitchen Limited on a line by line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The amount of the surplus for the year dealt with within the charity's Financial Statements is disclosed in note 4.

#### *Income*

Income is recognised when the charity has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising) the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid declarations recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Income from NHS service level agreements, government and other grants, whether "capital" or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Sponsorship from events, fundraising and events registration fees are recognised in income when the event takes place. Lottery income is accounted for in respect of those draws that have taken place in the year. Trading income is recognised on point of sale for donated and purchased goods and cafe sales.

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material (see note 27).

Income received in advance for a fundraising event or for a grant relating to the following year is deferred until the criteria for income recognition are met (see note 19).

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (*continued*)

#### *Donated goods, services and facilities*

Donated goods for resale are recognised when the company has control over the item, the receipt of economic benefit from the sale of the item is probable and that economic benefit can be measured.

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), the time of volunteers in the hospice and the charity shops is not recognised. Refer to the trustees' annual report for more information about their contribution.

Donated professional services and facilities are included in income at the estimated value of the gift to the charity when received, based on the amount that the charity would have been prepared to pay for these services or facilities had it been required to purchase them; a corresponding amount is then recognised in the expenditure in the period of receipt. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

#### *Expenditure*

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

1. Costs of raising funds comprise fundraising costs incurred in seeking donations, grants and legacies; costs of fundraising activities including commercial trading by the charity shops and cafe and their associated support costs. Fundraising costs do not include the costs of disseminating information or support of the charitable activities.
2. Expenditure on charitable activities includes the costs of providing specialist palliative care and support, research and other educational activities undertaken to further the purposes of the charity, and their associated support costs.
3. Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance, finance and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. Since 1 April 2016 the hospice has been able to recover most of the VAT levied on non-business expenses; irrecoverable VAT on fundraising is charged as a cost within fundraising expenses and the remainder is included in support costs.

Support costs are allocated to each of the activities based on staff headcount. More detail on the analysis and basis of allocation is given in note 8 to the financial statements.

#### *Staff costs*

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (*continued*)

#### *Pensions*

Employees of the group are entitled to join The Prince of Wales Hospice Group Personal Pension Plan, which is a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included with the associated staff costs and allocated therefore to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity.

Employees who are already active members of the NHS Pension Scheme when they join the charity's employ are permitted to continue contributing to the Scheme. Rates are set by the NHS Pensions Agency. As explained in note 26 the scheme is a multi-employer scheme not designed to identify the assets and liabilities attributable to the Charity, so in accordance with FRS102 the scheme is accounted for as a defined contribution scheme.

2 employees have their own defined contribution 'money purchase' pension plans into which the group pays between 5% and 7% of salary. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included with the associated staff costs.

#### *Operating leases*

Operating leases are recognised over the period of which the lease falls due. Benefits received and receivable as an incentive to sign an operating lease together with rentals due are charged on a straight line basis over the period of the lease.

#### *Fund accounting*

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be used solely for a particular area of the charity's work or for purchases of specific assets for use by the charity.

#### *Intangible Fixed assets*

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of ten years.

#### *Tangible Fixed assets*

All assets costing more than £300 or part of a project costing more than £300 in total are capitalised at their historical cost when purchased including any incidental costs of acquisition. The limits for capitalisation are lower in the trading subsidiaries.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (*continued*)

Depreciation is provided to write off the cost less any estimated residual value of all fixed assets evenly over their estimated useful economic lives on a straight line basis as follows:

Freehold land and buildings	2% or 5% on cost
Improvements to short leasehold land and buildings	Period of lease
Motor vehicles less than four years old	20% or 25% on cost
Motor vehicles more than four years old	25% or 50% on reducing balance
Fixtures, fittings and equipment - Charity	25%, 20% or 15% of cost
Fixtures, fittings and equipment - Trading subsidiaries	20% on cost

#### *Investments*

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price, except for shares in trading subsidiaries which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

#### *Stock*

Stock of new goods is included at the lower of cost and net realisable value.

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume of these items and to include it on the balance sheet. The value of these goods to the charity is instead recognised when they are sold in the shops.

#### *Financial instruments*

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

#### *Cash at bank and in hand*

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

#### *Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (*continued*)

#### *Creditors, loans and provisions*

Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

#### *Critical accounting estimates and judgements*

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### *Critical estimates*

##### **Depreciation of tangible assets**

Depreciation policies have been set according to management's experience of the useful lives of the assets in each category, something which is reviewed annually.

The charity incurs expenditure on creating tangible fixed assets for use in the charity with costs being incurred over a number of months. The trustees believe it is possible to segregate these costs into identifiable projects, and as such no depreciation is charged on that project until it is brought into use.

##### **Legacies**

Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and where sufficient information is available to allow it to measure its entitlement.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 1 Accounting policies (continued)

#### Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading subsidiaries are not exempt from taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

### 2 Income from donations and legacies

	Group	
	2017	2016
	£	£
<b>Unrestricted donations</b>		
Individuals	437,628	457,588
Donations and Gift Aid from shop sales on an agency basis	65,574	278,972
Charitable trusts	44,740	4,404
Corporate donors	114,163	76,747
	662,105	817,711
<b>Restricted donations</b>		
Individuals	6,872	1,448
Charitable trusts	379,525	394,298
Corporate donors	2,646	6,036
	389,043	401,782
<b>Total donations</b>	1,051,148	1,219,493
<b>Legacies, all unrestricted</b>	89,430	247,716
	1,140,578	1,467,209

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 3 Income from other trading activities

Shops (traded through The Five Towns Plus Hospice Fund Shops Limited in the prior year)	2017 £	2016 £
Income from the sale of donated goods	1,242,012	988,229
Income from the sale of bought in goods	16,219	55,007
Commission income from the sale of goods on an agency basis	-	20,676
Other retail income	4,600	6,621
<b>Total income from shops</b>	<b>1,262,831</b>	<b>1,070,533</b>
Cost of buying in goods	38,489	55,040
Staff costs	459,226	452,172
Property costs	137,965	139,122
Other costs	245,759	223,605
Taxation on shop profits	-	290
<b>Total expenditure</b>	<b>881,439</b>	<b>870,229</b>

All shops income in both the current and the previous year related to unrestricted funds.

Café – The Caring Kitchen Limited	2017 £	2016 £
Income from café sales	70,894	78,208
<b>Total income from the café</b>	<b>70,894</b>	<b>78,208</b>
Cost of buying in food and drink	14,345	14,535
Staff costs	34,749	39,251
Property costs	13,551	10,951
Other costs	9,788	12,618
Loan interest	181	494
Taxation on café profits	-	(70)
<b>Total expenditure</b>	<b>72,614</b>	<b>77,779</b>



# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017

### 4 Financial performance of the charity

The consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiaries which comprise retail and café operations.

The summary financial performance of the charity alone is:

	2017 £	2016 £
Income	3,468,825	2,344,703
Gift Aid from subsidiary company	-	478,972
	3,468,825	2,823,675
Costs of raising funds	(1,249,872)	(371,415)
Expenditure on charitable activities	(2,383,679)	(2,225,790)
Net (expenditure)/income	(164,726)	226,470
Investment gains/ (losses)	3,535	(2,532)
Total funds brought forward	2,641,836	2,417,898
Total funds carried forward	2,480,645	2,641,836
Represented by:		
Restricted income funds	82,599	404,906
Unrestricted income funds	2,398,046	2,236,930
	2,480,645	2,641,836

### 5 Income from charitable activities

	Charity and Group	
	2017 £	2016 £
<i>Grants from NHS Wakefield District Clinical Commission Group:</i>		
Core funding grants	600,000	600,000
Grant to provide a lymphoedema clinic for the Wakefield District	96,900	96,900
Grant to enable 24 hour admissions 365 days per year	102,838	205,675
Grant to fund costs of System1	5,846	-
Total grants	805,584	902,575
Fees for training medical and social work students	13,039	2,958
Fees for lymphoedema clinic in North Kirklees	21,000	23,000
	839,623	928,533

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 6 Group net income

	2017 £	2016 £
This is stated after charging:		
Auditors' remuneration - for audit	6,490	6,250
- for other services	760	1,510
Operating lease rentals:		
Land and buildings	164,552	155,788
Plant and equipment	5,648	8,127
Amortisation of purchased goodwill	4,400	4,400
Depreciation of owned tangible fixed assets	180,123	165,696
Trustees' indemnity insurance policy	1,138	919

### 7 Analysis of group expenditure

Year ended 31 March 2017	Direct staff costs £	Direct costs £	Support costs £	2017 Total £
Shops costs (Note 3)	459,226	368,957	53,256	881,439
Café costs (Note 3)	34,749	37,865	-	72,614
Fundraising trading	493,975	406,822	53,256	954,053
Fundraising costs	190,274	21,407	156,757	368,438
<i>Costs of raising funds</i>	684,249	428,229	210,013	1,322,491
Hospice inpatient unit	978,272	117,961	700,316	1,796,549
Day therapy	106,847	18,893	79,396	205,136
Lymphoedema clinic	42,428	42,357	54,967	139,752
Therapies and other care	156,503	4,307	81,432	242,242
<i>Charitable activities</i>	1,284,050	183,518	916,111	2,383,679
<b>Total</b>	<b>1,968,299</b>	<b>611,747</b>	<b>1,126,124</b>	<b>3,706,170</b>
Year ended 31 March 2016	Direct staff costs £	Direct costs £	Support costs £	2016 Total £
Shops costs (Note 3)	452,172	381,164	36,893	870,229
Café costs (Note 3)	39,251	38,528	-	77,779
Fundraising trading	491,423	419,692	36,893	948,008
Fundraising costs	157,761	106,252	107,402	371,415
<i>Costs of raising funds</i>	649,184	525,944	144,295	1,319,423
Hospice inpatient unit	895,977	169,410	463,170	1,528,557
Day therapy	94,278	29,544	96,661	220,483
Lymphoedema clinic	68,697	53,135	41,618	163,450
Therapies and other care	176,276	26,937	110,087	313,300
<i>Charitable activities</i>	1,235,228	279,026	711,536	2,225,790
<b>Total</b>	<b>1,884,412</b>	<b>804,970</b>	<b>855,831</b>	<b>3,545,213</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 8 Analysis of support costs

Year ended 31 March 2017	Establishment £	Management £	Finance and HR £	Governance Costs £	2017 Total £
Fundraising trading	14,139	16,043	22,843	231	53,256
Fundraising costs	103,061	22,004	29,595	2,097	156,757
<i>Cost of raising funds</i>	117,200	38,047	52,438	2,328	210,013
Hospice inpatient unit	460,428	98,304	132,222	9,362	700,316
Day Therapy	52,200	11,145	14,990	1,061	79,396
Lymphoedema clinic	36,138	7,716	10,378	735	54,967
Therapies and other care	53,538	11,431	15,374	1,089	81,432
<i>Charitable activities</i>	602,304	128,596	172,964	12,247	916,111
<b>Total</b>	<b>719,504</b>	<b>166,643</b>	<b>225,402</b>	<b>14,575</b>	<b>1,126,124</b>
Year ended 31 March 2016	Establishment £	Management £	Finance and HR £	Governance Costs £	2016 Total £
Fundraising trading	2,327	15,791	18,775	-	36,893
Fundraising costs	64,898	19,061	20,384	3,059	107,402
<i>Cost of raising funds</i>	67,225	34,852	39,159	3,059	144,295
Hospice inpatient unit	279,871	82,201	87,905	13,193	463,170
Day Therapy	58,408	17,155	18,346	2,752	96,661
Lymphoedema clinic	25,148	7,386	7,899	1,185	41,618
Therapies and other care	66,520	19,538	20,893	3,136	110,087
<i>Charitable activities</i>	429,947	126,280	135,043	20,266	711,536
<b>Total</b>	<b>497,172</b>	<b>161,132</b>	<b>174,202</b>	<b>23,325</b>	<b>855,831</b>

Fundraising trading support costs are the total costs incurred by the fundraising subsidiaries except direct costs. All other support costs have been allocated on headcount.

### 9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Salaries and wages	2,379,905	2,155,106	2,346,697	1,693,931
Social security costs	178,131	155,974	176,915	134,419
Pension costs				
Group Personal Pension Plan	28,948	36,448	28,676	27,755
NHS Pension Scheme	66,484	59,555	66,484	59,555
Other	8,287	8,233	8,287	8,233
<b>Total employment costs</b>	<b>2,661,755</b>	<b>2,415,316</b>	<b>2,627,059</b>	<b>1,923,893</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

Employees earning more than £60,000 per annum:

	Charity and Group	
	2017 £	2016 £
Between £60,000 and £70,000	1	1
Between £70,000 and £80,000	-	-
Between £80,000 and £90,000	-	-
Between £90,000 and £100,000	1	1

The charity trustees and persons connected with them neither received nor waived any emoluments or benefits during the year (2016: £Nil). No trustee received payment for professional or other services supplied to the charity (2016: £Nil). Travel, telephone and out of pocket expenses amounting to £329 (2016: £722) were reimbursed to 2 trustees.

The key management personnel of the group and the parent charity comprise the trustees and the Senior Management Team, whose names are listed on page 1. The total employee benefits of the key management personnel of the hospice were £449,936 (2016: £374,184).

### 10 Staff numbers

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
The average number of full-time equivalent employees during the year was:				
Charitable activity	57	60	57	60
Fundraising - including shops and café	36	27	34	-
	93	87	91	60

The monthly number of staff (including part-time and bank staff) during the year was as follows:

Average monthly headcount	136	141	133	97
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### 11 Related party transactions

In 2017 the following transaction took place between the hospice and its wholly owned subsidiary The Five Towns Plus Hospice Shops Ltd:

On 1 April 2016, the net assets of the subsidiary were hived up to the hospice at a book value of £41,377 (2016: £nil).

The transfer under gift aid of the trading profits of the subsidiary to the hospice of £nil (2016: £200,000) of which £nil was outstanding at the year end (2016: £Nil outstanding).

The transfer of net sales proceeds from sales of donated goods as agent for the donor, as donations to the hospice of £nil (2016: £223,144).

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 11 Related party transactions (continued)

In 2017 the following transaction took place between the hospice and its wholly owned subsidiary The Caring Kitchen Limited:

A repayment of £nil (2016: £3,200) was made in relation to the loan from the hospice to the subsidiary to pay for the purchase of the café business in Pontefract market. At the year end, the outstanding amount due from the subsidiary was £44,800 (2016: £44,800).

### 12 Intangible fixed assets - Group

	Purchased Goodwill £
<b>Cost</b>	
1 April 2016	44,000
At 31 March 2017	44,000
<b>Amortisation</b>	
1 April 2016	8,800
Charge for year	4,400
At 31 March 2017	13,200
<b>Net book value</b>	
At 31 March 2017	30,800
At 31 March 2016	35,200

### 13 Tangible fixed assets - Group

	Freehold Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost</b>				
1 April 2016	1,979,744	1,116,827	142,552	3,239,123
Additions	598,793	152,277	-	751,070
Disposals	(16,277)	(117,789)	(15,055)	(149,121)
At 31 March 2017	2,562,260	1,151,315	127,497	3,841,072
<b>Depreciation</b>				
1 April 2016	863,153	909,041	80,812	1,853,006
Charge for year	92,068	69,187	18,868	180,123
On disposals	(16,277)	(117,789)	(9,033)	(143,099)
At 31 March 2017	938,944	860,439	90,647	1,890,030
<b>Net book value</b>				
At 31 March 2017	1,623,316	290,876	36,850	1,951,042
At 31 March 2016	1,116,591	207,786	61,740	1,386,117

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 14 Tangible fixed assets - Charity

	Land and Buildings £	Temporary Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
1 April 2016	1,900,081	79,663	768,537	63,456	2,811,737
Transfer of assets from Shops Ltd	-	-	340,190	79,095	419,285
Additions	598,792	-	152,147	-	750,939
Disposals	(16,277)	-	(117,788)	(15,055)	(149,120)
<b>At 31 March 2017</b>	<b>2,482,596</b>	<b>79,663</b>	<b>1,143,086</b>	<b>127,496</b>	<b>3,832,841</b>
<b>Depreciation</b>					
1 April 2016	783,490	79,663	588,181	29,605	1,480,939
Transfer of assets from Shops Ltd	-	-	318,118	51,206	369,324
Charge for year	92,068	-	67,540	18,868	178,476
On disposals	(16,277)	-	(117,788)	(9,033)	(143,098)
<b>At 31 March 2017</b>	<b>859,281</b>	<b>79,663</b>	<b>856,051</b>	<b>90,646</b>	<b>1,885,641</b>
<b>Net book value</b>					
<b>At 31 March 2017</b>	<b>1,623,315</b>	<b>-</b>	<b>287,035</b>	<b>36,850</b>	<b>1,947,200</b>
<b>At 31 March 2016</b>	<b>1,116,591</b>	<b>-</b>	<b>180,356</b>	<b>33,851</b>	<b>1,330,798</b>

### 15 Investments

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
The Five Towns Plus Hospice Shops Limited	-	-	2	2
The Five Towns Plus Hospice Trading Limited	-	-	100	-
The Caring Kitchen Limited	-	-	100	100
	-	-	202	102

#### The Five Towns Plus Hospice Shops Limited

The hospice holds 2 shares of £1 each in its wholly owned trading subsidiary company The Five Towns Plus Hospice Shops Ltd which is incorporated in the United Kingdom (company number 02823729). These are the only shares called up, allotted and fully paid. At the 1 April 2016, the subsidiary hived its assets up to the hospice at book value and therefore the subsidiary was dormant in the year. The activities and results of this company are summarised below:

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 15 Investments (continued)

	2017 £	2016 £
Turnover	-	1,063,912
Costs of sales	-	(55,040)
Gross profit	-	1,008,872
Operating expenses	-	(814,899)
Other operating income	-	6,621
Net trading profit	-	200,594
Gift Aid donated to the Hospice	-	(200,000)
Tax on profit on ordinary activities	-	(290)
Profit for the financial year being the retained profit for the year	-	304
Balance sheet		
Assets	41,377	182,948
Liabilities	-	(141,571)
Provisions	(1,607)	(1,607)
Net assets	39,770	39,770
Represented by:		
Capital	2	2
Reserves	39,768	39,768
	39,770	39,770

### The Five Towns Plus Hospice Trading Limited

The hospice holds 100 shares of £1 each in its wholly owned trading subsidiary company The Five Towns Plus Hospice Trading Limited which is incorporated in the United Kingdom (company number 10072332). These are the only shares called up or allotted but were not fully paid at 31 March 2016. The subsidiary was incorporated on 18 March 2016 and had not traded before 31 March 2017.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 15 Investments (continued)

#### The Caring Kitchen Limited

The hospice holds 100 shares of £1 each in its wholly owned trading subsidiary company The Caring Kitchen Limited which is incorporated in the United Kingdom (company number 08818611). These are the only shares allotted, called up and fully paid. The subsidiary operates a café in Pontefract market to raise funds for the hospice. The subsidiary made a loss in its first year of trading, and will not pay any profits to the hospice under the Gift Aid scheme until its accumulated profits exceed the initial loss. The activities and results of this company are summarised below:

	2017 £	2016 £
Turnover	70,894	73,328
Costs of sales	(14,345)	(18,421)
Gross profit	56,549	54,907
Operating expenses	(58,269)	(67,852)
Net trading loss	(1,720)	(12,945)
Tax on loss on ordinary activities	-	(1,270)
Profit for the financial year being the retained loss for the year	(1,720)	(14,215)
Balance sheet		
Assets	39,944	53,003
Liabilities	(54,279)	(65,618)
Provisions	(1,071)	(1,071)
Net assets	(15,406)	(13,686)
Represented by:	100	100
Capital	(15,506)	(13,786)
Reserves	(15,406)	(13,686)



# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 16 Stock

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Donated stock for resale	-	24,082	-	-
New goods for resale	7,530	14,681	7,200	-
Bags and retail consumables	5,379	5,053	5,379	-
	12,909	43,816	12,579	-

### 17 Debtors

#### Amounts falling due within one year:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	6,634	5,302	6,634	5,302
Amounts owed by subsidiaries	-	-	5,978	95,991
Taxation recoverable	40,912	25,300	40,912	21,589
Other debtors	7,000	55,580	7,000	55,000
Prepayments	63,516	128,653	63,500	76,120
Accrued income	53,972	32,243	53,972	30,331
	172,034	247,078	177,996	284,333

#### Amounts falling due after one year:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Amounts owed by subsidiaries	-	-	41,600	41,600

Included in the amount owed by subsidiaries is a loan of £44,800. The loan is repayable by way of equal annual installments of £3,200 and interest is charged quarterly in arrears at the current market rate on the charity's deposit account.

### 18 Current asset investment

Charity and Group	2017	2016
	£	£
Market value at 1 April 2016	13,659	16,191
Unrealised gain/(loss) on revaluation	3,535	(2,532)
Market value at 31 March 2017	17,194	13,659

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 19 Creditors: Amounts falling due within one year

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Trade creditors	98,226	100,480	97,601	75,840
Amounts owed to subsidiaries	-	-	41,377	-
Tax	3,083	2,384	-	-
Social security costs and other taxes	46,508	45,629	46,430	40,966
Other creditors	13,451	15,199	13,431	12,148
Accruals	57,905	53,824	55,005	18,964
Deferred income	20,376	16,614	20,376	16,614
	239,549	234,130	274,220	164,532

Deferred income comprises grants in advance for 2016/17, and entry fees and ticket sales for events in 2016/17.

#### Deferred income reconciliation

Balance at 1 April 2016	16,614	55,076	16,614	55,076
Amount released to the Statement of Financial Activities	(16,614)	(55,076)	(16,614)	(55,076)
Amount deferred in the year	20,376	16,614	20,376	16,614
Balance at 31 March 2017	20,376	16,614	20,376	16,614

### 20 Provisions for liabilities

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Deferred tax	2,678	2,678	-	-

#### Group

Accelerated capital allowances	2017 £	2016 £
Balance at 1 April 2016	2,678	4,764
(Credit) for the year	-	(2,086)
Balance at 31 March 2017	2,678	2,678

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 21 Analysis of group net assets between funds

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Intangible fixed assets	-	30,800	30,800
Tangible fixed assets	-	1,939,542	1,939,542
Current assets	82,599	694,188	776,787
Current liabilities	-	(239,549)	(239,549)
Provisions	-	(2,678)	(2,678)
	82,599	2,422,303	2,504,902

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31 March 2016 are represented by:			
Intangible fixed assets	-	35,200	35,200
Tangible fixed assets	-	1,386,117	1,386,117
Current assets	404,906	1,078,403	1,483,309
Current liabilities	-	(234,130)	(234,130)
Provisions	-	(2,678)	(2,678)
	404,906	2,262,912	2,667,818

### 22 Other financial commitments - Group

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Land and Buildings		Other	
	2017 £	2016 £	2017 £	2016 £
Within one year	106,565	124,162	12,308	12,308
Within two to five years	197,214	291,202	15,972	25,550
After five years	1,458	10,891	-	-
	305,237	426,255	28,280	37,858

### 23 Capital commitments

At 31 March 2017 the trustees had authorised but not contracted for capital expenditure of £nil (2016: £554,700) and had authorised and contracted for capital expenditure of £nil (2016: £nil).

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 24 Restricted funds

For the year ended 31 March 2017	At 1 April 2016 £	Income £	Expenditure £	Transfer to unrestricted £	At 31 March 2017 £
Incare refurbishment	383,188	287,833	-	(671,021)	-
Other specific donations for capital	640	11,500	(640)	-	11,500
IT upgrade and management	17,547	-	(5,666)	(11,881)	-
Day Therapy activities	2,455	41,679	(10,965)	-	33,169
Patient and Family Support Team	-	27,195	-	-	27,195
Specific donations for running costs	1,076	-	-	-	1,076
Hospice inpatient unit	-	7,136	(5,460)	-	1,676
Lymphoedema clinic	-	10,450	(4,617)	-	5,833
Fundraising events	-	3,250	(1,100)	-	2,150
	404,906	389,043	(28,448)	(682,902)	82,599

The restricted funds hold donations to the charity for the purchase of specific fixed assets or for specified running costs. Fixed assets purchased in the year are transferred out of restricted funds where all obligations have been satisfied and therefore any restrictions have been discharged. Grants received in the year include:

#### Name of restricted fund

Incare refurbishment

#### Description, nature and purposes of the fund

To bring older rooms to the standard of the new rooms, install en-suite shower rooms, upgrade the bathroom and upgrade the conservatory and gardens round it so they are used by more patients and families.

Day Therapy activities

Patient and Family Support Team

Funding received for new initiatives in Day Therapy.

Funding received towards salaries and equipment.

For the year ended 31 March 2016	At 1 April 2015 £	Income £	Expenditure £	Transfer £	Transfer to unrestricted £	At 31 March 2016 £
4 Bedroom extension	75,911	-	-	(61,585)	(14,326)	-
Incare refurbishment	-	334,833	-	61,585	(13,320)	383,188
Other specific donations for capital	-	15,000	-	-	(14,360)	640
IT upgrade and management	27,745	4,901	-	-	(15,099)	17,547
Day Therapy activities	15,803	-	(13,348)	-	-	2,455
Patient and Family Support Team	-	40,100	(40,100)	-	-	-
Specific donations for running costs	564	6,948	(6,436)	-	-	1,076
	120,023	401,782	(59,884)	-	(57,015)	404,906

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2017 (continued)

### 25 Financial instruments

	Group 2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Financial assets carried at amortised cost	630,756	1,271,881
Financial assets measured at fair value	17,194	13,659
	<b>647,950</b>	<b>1,285,540</b>
<b>Carrying amount of financial liabilities</b>		
Financial liabilities carried at amortised cost	236,466	231,746

### 26 Pension costs

Some past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both schemes are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable participating bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the hospice of participating in each scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A full actuarial (funding) valuation is undertaken every four years to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ended 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

### 27 Contingent asset

At 31 March 2017, the hospice had been notified of two legacies totaling around £150,000. Due to ongoing legal situations as at 31 March 2017, the Trustees are of the opinion that at the balance sheet date, significant doubt around the legal position and recoverability existed and accordingly no amounts have been recognised.